

The City Council met in special session at the hour of 1:34 p.m. in the Council Chamber, City Hall, on the day above written.

Present:	Brian Calhoun	Councilmember
	Brad Castillo	Acting Council President
	Mike Dages	Councilmember
	Jerry Duncan	Councilmember
	Henry Perea	Councilmember
	Cynthia Sterling	Councilmember
	Tom Boyajian	Council President

Dan Hobbs, City Manager
 Andy Souza, Assistant City Manager
 Hilda Cantu Montoy, City Attorney
 Becky Klisch, City Clerk
 Yolanda Salazar, Assistant City Clerk

(1:30 P.M.) CONTINUED CONSIDERATION OF THE FISCAL YEAR 2003-2004 CITY OF FRESNO BUDGET

1. * RESOLUTION - ADOPTING THE FY2004 CITY OF FRESNO BUDGET, INCLUDING THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) BUDGET AND THE ANNUAL APPROPRIATION RESOLUTION (AAR)
2. * RESOLUTION - ADOPTING THE FY 2004 POSITION AUTHORIZATION RESOLUTION (PAR)
3. * RESOLUTION - ADOPTING THE 409TH AMENDMENT TO THE MASTER FEE SCHEDULE (MFS) RES. 80-420 (ANNUAL AMENDMENT)
4. * BILL FOR INTRODUCTION AND ADOPTION ADOPTING THE PROPERTY TAX OVERRIDE (PTO) ORDINANCE
5. SELECTION OF METHODOLOGY FOR DETERMINATION OF FY 2004 GANN APPROPRIATION LIMIT
6. * RESOLUTION - ESTABLISHING RULES FOR THE APPLICATION OF CITY EMPLOYEE COMPENSATION RATES AND SCHEDULES AND RELATED REQUIREMENTS, AND ESTABLISHING COMPENSATION RATES AND SCHEDULES (FY 04 SALARY RESOLUTION)

- a. GENERAL SERVICES DEPARTMENT
- b. CITY ATTORNEY
- c. GENERAL CITY PURPOSE
- d. PUBLIC WORKS DEPARTMENT
- e. CAPITAL BUDGET
- f. PERSONNEL SERVICES DEPARTMENT

GENERAL SERVICES DEPARTMENT

General Services Director Nerland introduced his management team in attendance, reviewed his department's proposed budget, and along with Budget Manager Smith responded to questions of Councilmember Duncan relative to the Council Chamber's TV projection system and telephone sound system and funds in General City Purpose that were double-budgeted and available.

MOTION - Duncan/Calhoun - Fund the Council Chamber TV projection system and telephone sound system out of General City Purpose double-budgeted funds (Councilmember Duncan later clarified the funding source would be Special Projects/58004).

Discussion ensued with Ms. Smith, Mr. Nerland, City Manager Hobbs and Controller Quinto responding to questions and/or comments of Councilmembers Sterling, Calhoun, Dages, Castillo, President Boyajian and Councilmember Perea and/or clarifying issues relative to CDBG intergovernmental division funds, need to continue to look for efficiencies in terms of working with other governmental agencies, funds for fleet acquisition and what happens to those funds if they are not used, if the \$40,000 in contingency had been encumbered, reason for wanting to purchase particulate filtered diesel-powered vehicles, if particulate filters would be placed in older fleet, the CNG fueling station and if buses would be fueling there, if funds were budgeted to purchase the diesel filters, reason for escalation in salaries, funding for

replacement, and the step increases, the reorganization, and request to staff to provide detailed information behind the three positions used to establish the 03 budget and positions used to establish the proposed budget. There was no further discussion on the department

CITY ATTORNEY DEPARTMENT

City Attorney Montoy introduced her management team, spoke briefly to the 1st Annual City Attorney's Report submitted to Council yesterday, and gave a lengthy Power Point presentation and overview her department's accomplishments, proposed FY 04 budget, and issues, challenges and needs.

Barbara Hunt, 2475 S. Walnut, **(2 - 0)** spoke to the need for written information and questioned rent cost and positions.

Ms. Montoy responded to questions/comments of Councilmembers Dages and Perea relative to the re-write of the Fresno municipal code and what was needed to get it done, staff response to Council requests, new positions approved in FY 03, number of current vacancies and if funding was currently available to fill those positions, and if additional funds were needed to attract competent attorneys.

MOTION - Perea/Sterling - Appropriate \$50,000 to increase salaries for needed attorney positions (department to work with Budget Division on a funding source).

Discussion continued with Ms. Montoy and Ms. Quinto responding to questions/comments of Councilmembers Perea, Calhoun and Dages relative to desire to see contract counsel funds decreased, library resources and funds needed to bring up to date, space limitations and how much more space is needed, concern with staffing level and need to address that issue, if salary was at issue with the management analyst position and why the position had not been filled this past year, increasing salaries to attract competent attorneys, salary comparisons with other agencies and need to compare apples to apples, city and county salary differential, need for Council to see proof that money would make the difference in recruitment, contract counsel savings, priority setting and if a model was out there that could used and modified to fit the departments' needs, where contract counsel funds come from, if it was feasible to use and expand department services versus contracting out, and interest in seeing the department take over the risk management division.

MOTION - Dages/Perea - Staff to review/study reorganizing the Risk Management Division from Personnel Services to the City Attorney department

Discussion continued with Ms. Montoy responding to questions/comments of Acting President Castillo and President Boyajian relative to the 4-hour rule, what type of issues most often require the services of contract counsel, the negative fund balance issue, the department's accomplishments and why the department came in under FY 03's budget, desire for Council to submit their priorities for the upcoming year, how determination is made on amount of contract counsel funds and how to pay lawsuits, the \$45,000 deficit, and if it was more important to have attorneys as administrators or litigators. There was no further discussion on the department.

GENERAL CITY PURPOSE (GCP) DEPARTMENT

Budget Manager Smith advised the GCP department was comprised of the Redevelopment Services Division, the Retirement Administration Division and the Intergovernmental Relations Division (IRD) and explained the functions; clarified a detail schedule the IRD as follows: (1) \$48,000 budgeted for the Historical Society was also budgeted in the Planning Department (double-budgeted) making \$48,000 available, and (2) advised the Great Valley Center and Operation Clean Air were each budgeted for \$25,000 and they were the same agency therefore another \$25,000 was available totaling \$73,000; noted Councilmember Duncan made a motion earlier to use those funds to fund the Council Chamber improvements; and advised the CDBG budget would be discussed next week and recommended questions be postponed to that time.

Barbara Hunt, 2475 S. Walnut, spoke to various issues related to the redevelopment agency and staff salary.

Councilmember Perea made a motion to use the \$48,000 double-budgeted for the Historical Society for neighborhood improvements and discussion ensued on whether those funds were already earmarked for Councilmember Duncan's motion. Clarification was made that Councilmember Duncan's motion was to use \$16,700 of the \$25,000 that was double budgeted for Operation Clean Air and Great Valley Center, leaving \$56,300 available from the \$73,000.

MOTION - Perea/Dages - Use the \$56,300 remaining from the double-budgeted funds and allocate those funds to neighborhood

infrastructure improvements (residential streets, sidewalks, curbs and gutters)

Discussion ensued with Ms. Smith and Ms. Quinto responding to questions of Councilmember Perea relative to the \$25,000 for the Regional Jobs Initiative (RJI) and what services they provide, if the RJI duplicated what the EDC does, if any other governmental agency contributes to the RJI, need to see some kind of financial commitments from the other entities to RJI and reserving RJI funding for later, and concern with the \$40,000 for the Columbia Memorial and what the justification was. Acting President Castillo clarified \$20,000 was the actual cost -- not \$40,000, and advised \$8,500 had been collected to date and the remaining funds needed were \$11,500.

MOTION - Perea/Castillo - Delete the Columbia Memorial and allocate those \$40,000 to the Parks Ready Program

Councilmember Calhoun raised a concern with the process and questioned if things were being done backwards, with Assistant City Manager Souza stating the current process of making motions was of some benefit to staff as they are aware of anticipated actions now rather than later.

Mr. Souza and Ms. Quinto clarified issues and/or presented questions to Council relative to the Parks Ready Program being fully funded, with President Boyajian stating Council's concern was with what took place to fund the program, and to the Columbia Memorial relative to whether installation costs were included in the \$20,000, with Acting President Castillo responding. Discussion ensued with Ms. Smith, Mr. Souza, Ms. Quinto and President Boyajian responding to questions of Councilmembers Perea, Sterling and Calhoun relative to funding for Foster Farms, \$20,000 for the Central California Mayor's Conference, outside agency support, clarification that CDBG would be heard next week, if the Housing Task Force reviewed budget Resolution #1 above.

Councilmember Calhoun spoke to the remaining \$56,300 from the double-budgeting, referenced a letter from Mark Keppler of the Coalition for Community Trails relative to a trail system they were currently building and their request for financial assistance, and stated they were a great organization.

MOTION - Calhoun/Boyajian - Use the \$56,300 remaining from the double-budgeted funds and allocate those funds to the Coalition for Community Trails.

Discussion continued with Mr. Souza, Ms. Smith and Councilmember Perea responding to questions of Councilmember Dages and Acting President Castillo relative to Professional Services/Outside Consulting and the Lehman contract, Membership & Dues, cost for the City's membership in the League of California Cities (LCC) who sits on the Board, if the Central California Mayor's Conference (CCMC) was different from the LCC, various questions relative to the CCMC, election costs, special projects, funding source for the Friendship Games, and other programs/organizations in the Intergovernmental Relations Division being proposed for funding.

MOTION - Castillo/Sterling - Pull for further discussion proposed funding for the Central California Mayor's Conference, the WOW Program, and the Friendship Games.

Upon question of Ms. Quinto, Acting President Castillo stated he would like staff to provide information on the organizations he pulled for discussion. Councilmember Sterling spoke to the WOW program stating programs were being funded for job training but there were no jobs, with Mr. Souza responding. President Boyajian questioned why Fresno County Children's Family Agreement was not being funded under social services, and Councilmember Sterling presented additional questions/concerns on the WOW program, with Mr. Souza, President Boyajian **(4 - 0)** and Ms. Smith responding.

MOTION - Boyajian/Sterling - Move the Fresno County Children's Agreement to Social Services.

There was no further discussion on GSP.

RECESS - 4:00 P.M. - 4:25 P.M.

PARKS, RECREATION AND COMMUNITY SERVICES

Interim P & R Director Putnam introduced his management staff in attendance, and gave a Power Point presentation and reviewed the department's FY 03 accomplishments and the proposed FY 04 budget including staffing, fees and challenges. Assistant City Manager Souza thanked Mr. Putnam for his work as interim director.

Barbara Hunt, 2475 S. Walnut, spoke to Hyde Park needs. Gail Gaston, Chair, Human Relations Commission (HRC), Gary Catalano, HRC Member, and Debbie Reyes, HRC Vice Chair, spoke in opposition to moving the HRC to P & R and/or expressed concern with the HRC not being informed of budget proceedings that affected them and spoke to the need to be kept informed so they could do their job.

Councilmember Calhoun commended the department and spoke briefly to the issue of fire and police costs, the effect those costs would have on the general fund in the future, and how the parks and recreation would be hit “big time”, and stated he supported the user fees. Councilmember Duncan also spoke in support of the fees, specifically for Woodward Park, and in support of the grant program initiated with the United Way.

MOTION - Duncan/Boyajian - Increase United Way Grant Program from \$50,000 to \$100,000 (Funding source: Outside Agency Support)

Councilmember Duncan spoke to the need for a commitment to the Veteran’s Parade and the Legion of Valor Museum with stable funding, made a motion, and along with Ms. Smith clarified the intent of the motion upon question of Councilmember Sterling.

MOTION - Duncan/Boyajian - Increase the Special Projects account by \$20,000 and reduce the social services/outside agency support budget by \$20,000 to fund the Veteran’s Parade and the Legion of Valor Museum (removing the organizations from social service budget and competitive bidding)

(5 - 0) Ms. Smith, Budget Analyst McDowell, M.A. Milavich and Mr. Souza responded to questions of Councilmember Dages relative to increase in workers compensation, what “Specialized Services” were, street tree trimming, Capital Budget and rehabilitation of neighborhood parks, parkland acquisition and proposed parks, and funding for Post 509's July 4th fireworks event.

MOTION - Dages/Castillo - Revisit funding for American Legion Post 509 July 4th fireworks event *for the year *2005* (*clarified later)

Acting President Castillo presented questions relative to the \$350 fireworks permit fee, inspection services, number of fireworks stands in the city, and if the fire department kept verification of their inspections, with Mr. Souza and City Attorney Montoy responding.

MOTION - Dages/Castillo - Leave the Human Relations Commission (HRC) under the City Manager’s Office

Acting President Castillo continued with questions relative to the HRC Ombudsman position, salary of the Assistant Ombudsman, total stipend for HRC members, if any salaries, besides the Assistant Ombudsman, were previously or currently funded, and the HRC’s total budget and what was included, with Ms. Souza and Ms. Smith responding and Mr. Souza stating staff would provide the working sheet of the HRC’S budget to Council.

Citing the need to adjourn at this time, President Boyajian continued the budget hearing to Tuesday, June 10, 2003, at 1:30 p.m. to resume with the Parks and Recreation Department.

- d. PUBLIC WORKS DEPARTMENT
- e. CAPITAL BUDGET
- f. PERSONNEL SERVICES DEPARTMENT

Laid over to June 10, 2003.

Upon request of Gail Gaston, Mr. Souza stated a copy of the HRC’s budget would be provided to the HRC and Council members.

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ADJOURNMENT

There being no further business to bring before the City Council, the hour of 5:35 p.m. having arrived and hearing no objections, President Boyajian declared the meeting adjourned.

APPROVED on the ____10th____ day of ____June____, 2003.

_____/s/_____
Tom Boyajian, Council President

ATTEST: _____/s/_____
Yolanda Salazar, Assistant City Clerk

